

State of Alaska FY2005 Governor's Operating Budget

Department of Health and Social Services Foster Care Base Rate Component Budget Summary

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Component: Foster Care Base Rate

Contribution to Department's Mission

The Foster Care Base Rate program is designed to meet the basic needs of children in foster care.

Core Services

The Foster Care Base Rate program reimburses foster parents for the basic ongoing costs of raising a child including: food, clothing, and shelter; daily supervision normally carried out by a parent; personal and grooming items; school supplies and regular school activities; age appropriate games, toys, books, and recreational equipment; general recreation such as picnics, community sports, and movies; usual transportation expense; allowance; babysitting and child care.

FY2005 Resources Allocated to Achieve Results

FY2005 Component Budget: \$10,106,900	Personnel:	
	Full time	0
	Part time	0
	Total	0

Key Component Challenges

New Foster Care Providers are Needed: According to the Federal review conducted in June 2002, the Office of Children's Services needs more foster parents, especially native foster parents, to meet the needs of Alaska's foster children. Not having enough appropriate and culturally relevant foster placements impacts the ability of the office to place children in homes where their best interests can be met, increases the likelihood of multiple placements for children and is contradictory to the Indian Child Welfare Act of 1978.

Provide Adequate Funding for Foster Care: The Foster Care Base Rate program is designed to reimburse foster parents for the basic on-going costs of raising a child. The current Foster Care Base Rate is based on 1993 Federal Poverty Guidelines and does not reflect the overall cost of living increases that have occurred since that time.

The State has an obligation to reimburse foster care providers for the cost of care for children in their custody. When the State fails to meet its obligation, foster care providers have no legal obligation to continue to provide care for the children. This may result in foster parents returning children to the Office of Children's Services. This situation will seriously undermine the State's child welfare system and will negatively impact the children that the State is responsible for protecting.

Maximize federal receipts and generate general fund savings in the Foster Care components. The office is reimbursed from the Federal Title IVE program for direct services OCS provides when removal of a child from their home is necessary to protect the child. As the number of children certified as eligible for Title IVE benefits increases, the federal reimbursement rate and federal receipts OCS claims increases. As a part of its concentrated effort to increase the number of children qualified for Title IVE benefits OCS is conducting an extensive review of the eligibility determination procedures.

Significant Changes in Results to be Delivered in FY2005

The Office of Children's Services anticipates it will provide foster care base rate benefits to an average of 34 additional children each month in FY2004 and FY2005.

Major Component Accomplishments in 2003

1) Provided foster care services to an average of 1,125 children each day:

The Department provided foster care benefits to an average of 1,125 children daily. The 6.2% reduction in the foster care caseload the division noted in FY2001 and further 4.5% reduction in FY2002 was partially offset by a 3.2% increase in children in foster care in FY2003.

2) Provided foster care providers the training necessary to meet the needs of children in foster care:

In recent years, children placed in foster care have more complex needs and issues, and foster parents are often required to have a greater level of specialized knowledge. The Office of Children's Services supplied foster parent training to provide the essential skills needed to successfully deal with the individual behaviors and special needs of the children in their care.

During FY2003 the Department again sought to recruit foster care providers with the "Foster A Future" campaign. The "Foster A Future" media campaign consisted of a targeted and statewide presentation of television and radio spots, as well as public service announcements designed to increase the State's pool of foster care providers, especially in the rural areas. In addition to paid advertising, extensive recruitment efforts were made around the state, in collaboration with community agencies and tribal organizations, churches, children's conference organizers, and foster parent support groups.

3) The Department offered limited childcare to working foster parents as a foster parent recruitment and retention effort.

Statutory and Regulatory Authority

AS 47.05	Administration of Welfare, Social Services, and Institutions.
AS 47.10	Children in Need of Aid.
AS 47.14.100	Care of Children.
AS 47.17	Child Protection.
AS 47.40	Purchase of Services.
7 AAC 53, Article 1	Child Care Foster Care Payments.
7 AAC 53, Article 3	Children in Custody or Under Supervision: Needs and Income.
Titles IV-B and IV-E of the Social Security Act	

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Foster Care Base Rate Component Financial Summary

All dollars shown in thousands

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	18.9	100.0	95.8
73000 Contractual	86.5	157.4	157.4
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	8,177.0	9,253.7	9,853.7
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	8,282.4	9,511.1	10,106.9
Funding Sources:			
1002 Federal Receipts	734.0	2,540.2	3,439.9
1003 General Fund Match	3,845.7	3,845.7	3,845.7
1004 General Fund Receipts	2,111.2	2,133.7	1,230.6
1156 Receipt Supported Services	1,591.5	991.5	1,590.7
Funding Totals	8,282.4	9,511.1	10,106.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	734.0	2,540.2	3,439.9
Receipt Supported Services	51073	1,591.5	991.5	1,590.7
Restricted Total		2,325.5	3,531.7	5,030.6
Total Estimated Revenues		2,325.5	3,531.7	5,030.6

**Summary of Component Budget Changes
From FY2004 Authorized to FY2005 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2004 Authorized	5,979.4	2,540.2	991.5	9,511.1
Adjustments which will continue current level of service:				
-Maximize Federal Receipts/GF Savings With Increase in Foster Care Penetration Rate	-900.0	900.0	0.0	0.0
Proposed budget decreases:				
-Department-wide travel reduction	-3.1	-0.3	-0.8	-4.2
Proposed budget increases:				
-Increase Receipt Support Svcs Authority for SSI and CSED Receipts	0.0	0.0	600.0	600.0
FY2005 Governor	5,076.3	3,439.9	1,590.7	10,106.9